



# ANNUAL PERFORMANCE REPORT 2014/2015

**Vision:** “A developmental people driven organisation that serves its people”

**Mission:** To provide essential and sustainable services in an efficient and effective manner.

## **1. INTRODUCTION AND BACKGROUND**

The development, implementation and monitoring of a Service Delivery and Budget Implementation Plan (SDBIP) is required by the Municipal Finance Management Act (MFMA) section 69 (3) (b). Circular 13 of the National Treasury stipulates that, “the SDBIP gives effect to the Integrated Development Plan (IDP) and the budget of the municipality and will be possible if the IDP and the budget are fully aligned with each other, as required by the MFMA.”

As the budget gives effect to the strategic priorities of the municipality it is important to supplement the budget and the IDP with a management and implementation plan. The SDBIP serves as the commitment by the municipality, whereby the intended objectives and projected achievements are expressed in order to ensure that desired outcomes over the long term are achieved and are implemented by the administration over the next 12 months.

The Municipal Finance Management Act (MFMA) no 56 of 2003, defines the Service Delivery Budget Implementation Plan as a detailed plan approved by the Mayor of the municipality for implementing the municipality's delivery of municipal services and its annual budget and must include the following:

(a) Projections of each month of:

(i) Revenue to be collected, by source and

(ii) Operational and Capital expenditure, by vote;

(b) Service delivery targets and performance indicators for each quarter

## **2. PURPOSE**

The document presents the 2014/2015 Service Delivery and Budget Implementation Plan of the municipality drafted in compliance with the requirements of the MFMA. The performance targets set in this document lay basis for the performance contracts of all Departmental Heads and Middle Managers. It enables the Municipal Manager to monitor the performance of Senior Managers; and the community to monitor the performance of the municipality

## **3. LEGAL REQUIREMENTS CONSIDERED WITH THE DEVELOPMENT/DESIGN OF THE SDBIP**

Section 53 1(c) (ii) of the MFMA states that the Mayor must ensure that the municipality's SDBIP is approved within 28 days after approval of the budget. Section 69(3) of the MFMA states that the Accounting Officer must no later than 14 Days after the approval of the Budget submit the draft SDBIP and Performance Agreements for the Municipal Manager and all Senior Managers to the Mayor. Sec 53 3(b) also states that the SDBIP's must be made public no later than 14 days after its approval by Council and that the Performance agreements of the Municipal Manager, Senior Managers and any other categories of officials as may be prescribed, should be made public no later than 14 days after the approval of the SDBIP.

## **4. REPORTING ON SDBIP**

This section covers reporting on the SDBIP as a way of linking the SDBIP with the oversight and monitoring operations of the Municipal administration. Various reporting requirements are outlined in the MFMA. Both the Mayor and the Accounting Officer have clear roles to play in preparing and presenting these reports. The SDBIP provides an excellent basis for generating the reports for which MFMA requires. The reports then allow the Municipality to monitor the implementation of service delivery programs and initiatives across the Molemole municipal jurisdiction.

### **4.1. QUARTERLY REPORTING**

Section 52 (d) of the MFMA compels the mayor to submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality within 30 days of the end of each quarter. The quarterly performance projections captured in the SDBIP form the basis for the mayor's quarterly report.

### **4.2. MID-YEAR REPORTING**

Section 72 (1) (a) of the MFMA outlines the requirements for mid-year reporting. The accounting officer is required by the 25<sup>th</sup> January of each year to assess the performance of the municipality during the first half of the year taking into account:

- (i) the monthly statements referred to in section 71 of the first half of the year
- (ii) the municipalities service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities.

Based on the outcomes of the mid-year budget and performance assessment report, an adjustments budget may be tabled if actual revenue or expenditure amounts are materially different from the projections contained in the budget or the SDBIP. The SDBIP is also a living document and may be modified based on the mid-year performance review. Thus the SDBIP remains a kind of contract that holds the Municipality accountable to the community.

### **4.3. ANNUAL REPORTING**

Section 46 (1) of Municipal Systems Act stipulates that a municipality must prepare for each financial year a performance report reflecting

- a) the municipality's, and any service provider's, performance during that financial year, also in comparison with targets of and with performance in the previous financial year;
- b) the development and service delivery priorities and the performance targets set by the municipality for the following financial year; and
- c) measures that were or are to be taken to improve performance.

Sec 46 (2) further states that an annual performance report must form part of the municipality's annual report in terms of Chapter 12 of the MFMA.

**5. The financial performance report of the municipality for 2014/2015 financial year:**

**5.1 REVENUE**

The annual budget for 2014/2015 amounts to R167,518,205.00 and Actual revenue collected as at 30 June 2014 Amounts to R154,448,972.00 (92%) compared to the proportional percentage of 100%.The 68% revenue recognized is based on accrual based accounting concept.

Description	Total Annual Budget	12 Months budget	12 months Actual	12 months % Income	Variance from 12 months budget	Reasons for variance
	R	R	R	%	R	
<b><u>Revenue By source</u></b>						
Property rates	10,368,367	10,368,367	10,319,307	100	49,060	None
Service charges-refuse revenue	1,463,952	1,463,952	1,489,742	102	(25,790)	None
Service charges-electricity revenue including selling of prepaid electricity	10,141,214	10,141,214	6,441,269	64	3,699,945	Electricity Conventional meters has been converted to prepaid meters and residence are currently using electricity spiral due to the fact that they are in a position of monitoring units purchased and consumed.
Rental of facilities and equipment	292,484	292,484	310,226	106	(17,742)	Increment on rental contacts implemented during the financial year.
Interest earned-external investments	723,959	723,959	1,255,011	173	(531,052)	More excess cash was available for investment.
Interest earned-outstanding debtors	4,360, 426	4,360, 426	4,144,675	95	215,751	Municipality collected 80% of revenue and it lead to a decreased in interest on debtors.
Fines	910,452	910,452	1,398,467	154	(488,0150	The budget was based on cash basis, and the municipality implemented GRAP 1 of recognition of traffic fines on accrual basis.

Description	Total Annual Budget	12 Months budget	12 months Actual	12 months % Income	Variance from 12 months budget	Reasons for variance
	R	R	R	%	R	
License and permits	7,253,926	7,253,926	4,636,941	64	2,616,985	Licensing and permit receipt were previously captured against traffic and licensing account and a different was identified after the re-classification of receipt.
Transfers recognized-operational	95,157,565	95,157,565	92,652,231	97	2,505,334	Refund on free basic water from Capricorn District Municipality not yet received and the condition met on PABX funded from MSIG not met.
Transfers recognized-Capital	31,065,242	31,065,242	29,937,273	96	1,127,969	Condition on salaries of PMU not fully met due to late appointment of PMU technician. Last payment of consultant of Machaka road delayed and rolled over to 2015/2016 financial year. The roll over for EPWP not approved but budgeted for.
Other revenue	5,780,618	5,780,618	1,863,830	32	3,916,788	Surplus cash for roll over projects 2013/2014 included under other revenue.
<b>Total revenue (including capital transfers)</b>	<b>167,518,205</b>	<b>167,518,205</b>	<b>154,448,972</b>	<b>92</b>	<b>13,069,233</b>	

## 5.2 OPERATING EXPENDITURE

The adjusted budget for 2014/2015 amounts to R124, 146,306.00 Actual expenditure for the period ending June 2015 amounts to R119, 658,723.92. On average 100% of the allocated budget should be spent by the end of 4 the financial year, the municipality has spent 96% on operating expenditure inclusive of staff benefits.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS % EXP.	VARIANCE FROM THE 12 MONTHS BUDGET	REASONS FOR VARIANCE
Employee related costs	61,271,253	61,271,253	57,397,263	94	3,873,990	Other vacant and funded posts not filled
Remuneration of Councillors	10,040,482	10,040,482	7,650,725	76	2,389,757	No upper limits for Councillors due to downgrading of Municipality from grade 3 to 2
Depreciation and Amortisation	4,000,000	4,000,000	7,955,646	0	(3,955,646)	Newly capitalization of assets and capitalized work in progress.
Finance costs	25,000	25,000	269,391	1,078	(244,391)	The provision made was only for interest on late payments and interest on Ned bank cards for fleet. The Municipality will make provision for interest on leases as well during budget adjustment 2015/2016.

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS % EXP.	VARIANCE FROM THE 12 MONTHS BUDGET	REASONS FOR VARIANCE
Debt impairment	3,170,280	3,170,280	6,130,228	193	2,959,948	The revenue collection of the municipality is low and the provision for doubtful debt is high which resulted in debt impairment high.
Repairs and maintenance	4,410,116	4,410,116	3,122,484	71	1,287,632	Roll over budget for EPWP for repair and maintenance of streets and pavements not approved.
Bulk Purchases	7,700,000	7,700,000	7,073,013	92	626,987	Provision was made on conventional meters and the municipality replaced the meters to prepaid one for Mogwadi residents.
Contracted services	3,350,000	3,350,000	3,106,114	93	243,886	The provision for budget of security services was based on the current contract. The contract ended January 2015 and the new service provider was appointed less than the previous one.
General Expenses	30,179,175	30,179,175	26,953,860	89	3,225,315	The following line items had an impact on underspending of general expenses:  1. Consultancy fees- The budget for data cleansing was deferred to 2015/2016 financial year.  2. Free basic water- The machines for pumping water in the villages no longer use diesel but electricity



DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS % EXP.	VARIANCE FROM THE 12 MONTHS BUDGET	REASONS FOR VARIANCE
						<p>which led in the reduction of expenditure.</p> <p>3. Integrated transport plan- the funds are rolled over to the 2015/2016 financial year as they were received late.</p> <p>4. Legal expenses- Case for section 57 and the land claim one did not set down in court.</p>
<b>GRAND TOTAL</b>	<b>124,146,306</b>	<b>124,146,306</b>	<b>119,658,724</b>	<b>87</b>	<b>4,487,582</b>	

### 5.3 Capital Expenditure

Payments in respect of Capital Projects funded internally up to 30 June 2015 amounts to amounts to **R9, 243,915** against annual budget of **R13, 891,140**

Payments in respect of Capital Projects funded by Grants up to 30 June 2015 amounts to amounts to **R25,110,363** against annual budget of **R29, 002, 709.**

DESCRIPTION	TOTAL ANNUAL BUDGET	12 MONTHS BUDGET	12 MONTHS ACTUAL	12 MONTHS % EXP.	VARIANCE FROM 12 MONTHS BUDGET	REASONS FOR VARIENCE
Assets from Own Funds	13,891,140	13,891,140	9,243,915	67	4,647,225	1.Delays in delivery 2.Poor workman ship and lack of capital from service provider 3.Failed to attract competent service providers 4. The contractor has challenges in completing the project and requested the municipality to find another service provider to complete the project.
Assets from Grants and Subsidies	29,002,709	29,002,709	25,110,363	87	3,892,346	Recognized exclusive Vat , Condition of grants met except payment delayed for consultant of Machaka to Sekakene road
<b>TOTAL CAPITAL EXPENDITURE</b>	<b>42,893,849</b>	<b>42,893,849</b>	<b>34,354,278</b>	<b>80</b>	<b>8,539,571</b>	

## **5.4 DEBTORS**

### **Comprehensive analysis of services debtors**

The net outstanding service debtors as at 30 June 2015 amounts to Rand is made up as follows:

<b>Current Debt</b>	<b>Amount</b>
30 Days	1,581,651
60 Days	1,476,670
90 Days	1,479,920
120+ Days	65,062,507

<u>Plus</u> Journals	0
<b>Sub Total</b>	<b>69,062,507</b>
<u>Less</u> : Credit Amounts	0
<b>Total</b>	<b>69,600,748</b>

The outstanding amount of R69, 600,748 is divided as follows:

<b>Category</b>	<b>Amount</b>
Government	16,223,513
Business	1,978,431
Households	41,989,902
Other	9,408,902
<b>Total</b>	<b>69,600,748</b>

## **6. Recommendation**

That council note annual performance report for the 2014/2015 financial year.

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**MUNICIPAL MANAGER**

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**DATE**

## 7. TABULATED SUMMARY

### DEPARTMENT: CORPORATE SERVICES

Key Performance Area (KPA) 6:					Municipal Transformation and Organizational Development					
Outcome 9:					Responsive, Accountable, Effective and Efficient Local Government System					
Outputs :					Implement a differentiated approach to municipal financing, planning, and support					
Strategic objectives					Ensure administrative support to municipal units through continuous institutional development and innovation.					
Proje ct No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2014/15 annual target	Actual Achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
ADMINISTRATION										
145	Administration and Auxiliary services	Purchase of 1x Bakkie 2x Sedan and 1x mayoral Vehicles	Number of vehicles procured	12 vehicles in place	4 vehicles procured (1x Bakkie, 2x sedans for traffic & 1x Mayoral car)	3x traffic sedans licensed and handed over to Community Services department	Council resolved to reduce scope of project and budget for 3 vehicles	90%	Improved prioritisation during IDP planning	<b>Budget</b> R 1,000,000  Expenditure R 939,046.50
146		Procure office furniture when required	Percentage of office furniture procured as and when requested  No of offices fitted with proper office furniture	Dilapidated furniture	100% of office furniture procured as and when requested  Installed Office furniture in Municipal offices	Purchased: 2 X air cons 11 Steel cupboards 25X Chairs 05X Office tables	None	100%	None	Budget R 106,400.00  Expenditure R 102,388,00

Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2014/15 annual target	Actual Achievement	Reason for deviation	Progress (% to target)	Revised target (Measures for improvement)	Budget Expenditure
147	Administration and Auxiliary services	Purchase of Guardroom for Mogwadi Civic Centre	Number of new guardrooms procured at Municipal service points	Guardrooms at Mogwadi & Sekgosese sites damaged	2 guardrooms at Mogwadi Civic centre and Sekgosese traffic procured	2 X Guardrooms procured in Mogwadi civic and Sekgosese DLTC	None	100%	None	Budget R 23,600.00 Expenditure R 23,508.00
148		Erection of Palisade Fence to safeguard municipal assets	Percentage construction of palisade fence at Sekgosese traffic station	Fencing at Sekgosese traffic station is in a dilapidated state	Completed fencing at Sekgosese traffic station	135 meter of concrete palisade fence completed	None	100%	None	Budget R 157,515.00 Expenditure R 157,515.00
149		Erection Of Signboards in Mogwadi and Morebeng	100% of signboards installed around municipal area	No sign boards in Mogwadi and Morebeng	100% Signboards in all main routes within municipal jurisdiction	Installed 18 signboards in Mogwadi and Morebeng areas	None	100%	None	Budget R 150,000 Expenditure R120 000.00

Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2014/15 annual target	Actual Achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
INFORMATION AND KNOWLEDGE TECHNOLOGY										
150	Integrated ICT Services	Renewal of municipal ICT software	Number of licenses renewed	All municipal systems' licenses valid and expire by end of June 2015	5 Licenses for financial systems, GIS, Payday, Server and Ms application software renewed	5 Software licenses were renewed	None	100%	None	Budget R400 000.00 Expenditure R426 360.00
151		Rental of PABX telephone System: Msig	Number of sites with installed and upgraded IT Networks	Rental on Current system to expire in September 2014	Installed PABX at Mogwadi Civic Centre to service all municipal service points	PABX installed in Mogwadi Civic centre but not servicing other municipal service points	Satellite offices not yet linked to Main office.	80%	Service Provider instructed to complete by 31 August 2015	Budget R 400,000 Expenditure R 0.00
152										
153		Purchase of ICT Equipment	Number of ICT Equipment purchased	obsolete Laptops Desktops	Replace all obsolete Laptops and Desktops	Procured 5 Laptops and 13 Desktops  Network cable installed at Mogwadi Technical services building	None	100%	None	Budget R330,000 Expenditure R 234,524.00

Proje ct No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2014/15 annual target	Actual Achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
HUMAN RESOURCE MANAGEMENT										
154	Human Resource Management	Labour Relations  (Enhancemen t of employee relations and management of discipline in the workplace)	Percentage of referred cases attended to within the required time frames	100 percent of all cases are attended to within 90 days	100 percent of all cases attended to within 90 days	100% of all cases attended to within 90 days	None	100%	None	Nil
			Number of activities coordinated to enhance labour relations	4 LLF (Local Labour Forum) and 3 subcommit tee meetings are held on <i>ad hoc</i> basis	6 LLF (Local Labour Forum) and 6 Sub- committee meetings held	2 LLF meetings held and 2 sub committee meeting held	Unavailability of Labour union members and new invites to be re-issued	34%	Enforce strict adherence to schedule of meetings for LLF and Subcommittees.	Nil
					1 training conducted for members of the committees	1 training conducted for members of the committee	None	100%	None	Nil
155		Training of Councillors and employees	Percentage of Councillors capacitated municipal programmes	27 Councillors trained	100 percent of Councilors capacitated on municipal programmes	81% Councillors capacitated on municipal programmes	Non- availability of some Councillors for training sessions initiated	81%	Chairperson of Corporate Portfolio committee to emphasize the matter in Council meetings	<b>Budget R500 000.00</b>  <b>Expenditure R439 228.14</b>
			Percentage of training programmes implemented as per workplace skills plan (WSP)	160 employees capacitate d on all identified municipal programm es	100 percent of training programmes implemented as per workplace skills plan (WSP)	107 employees capacitated on municipal programme	Insufficient funding to train the set/ prescribed target (more often than not, quotations obtained are	67%	Adequate funding provision to be made in the 2015/16 Financial year	

Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	2014/15 annual target	Actual Achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
HUMAN RESOURCE MANAGEMENT										
							above what is expected)			
156	Human Resource Management		Number of WSP (Workplace Skills Plan) submitted to LGSETA	WSP (Workplace Skills Plan) submitted on 30 April 2014	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2015	1 WSP (Workplace Skills Plan) submitted to LGSETA by 30 April 2015	None	100%	None	Nil
157										
158			Number of employment equity report submitted to Department of Labour (DoL)	1 employment equity report submitted to DOL (Department of Labour)	1 employment equity report submitted to DOL (Department of Labour) by 01 October 2014.	01 Employment Equity report submitted to DOL	None	100%	None	Nil



## DEPARTMENT: TECHNICAL SERVICES

Key Performance Area (KPA) 2:				Basic Services & Infrastructure Planning							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs:				<ul style="list-style-type: none"> <li>Implement a differentiated approach to municipal financing, planning, and support</li> <li>Improving access to basic services</li> <li>Implementation of the community works programme</li> </ul>							
Strategic objectives				<ul style="list-style-type: none"> <li>Provision of sustainable infrastructure and basic services</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for Improvement	Budget Expenditure
OPERATIONS AND MAINTENANCE											
159	Roads and storm water	Maintenance of roads and storm water infrastructure	Number of kilometres of gravel roads graded and storm water maintained	613 km of gravel roads	Provision of sustainable infrastructure and basic services	Maintain 600 km of gravel roads and storm water.	737.2 km of gravel roads and storm water maintained	None	100%	None	Opex

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome '9':</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>Implement a differentiated approach to municipal financing, planning, and support</li> <li>Improving access to basic services</li> <li>Implementation of the community works programme</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for Improvement	Budget Expenditure
<b>ROADS</b>											
160	Roads	Machaka to Sekakene Gravel to Tar	Designs completed for Machaka to Sekakene Gravel to Tar	613 km of gravel roads	Provision of sustainable infrastructure and basic services	Completed Designs for Machaka to Sekakene Phase I	Designs for Machaka to Sekakene Phase I Completed	None	100%	None	Budget R 1 900 000  Expenditure R 1 579 858
161	Roads	Mohodi to Thupana Gravel to Tar	Percentage construction of Mohodi to Thupana road from gravel to tar	613 km of gravel roads		4,8 km of road tarred	Tarred 4,8 km of road	None	100%	None	Budget R 21 254 400  Expenditure R 21 254 400
162	Roads maintenance	Purchase of Compactor Roller	Number of Compactor Roller procured.	613 km of gravel roads	Provision of sustainable infrastructure and basic services	1x Compactor Roller procured	1x Compactor Roller procured.	Delays in delivery	0%	Delivered on the 23 <sup>rd</sup> July 2015	Budget R 1 350 000  Expenditure R 0.00
163	Municipal buildings	Construction of storeroom and change rooms in Morebeng	Percentage construction of change rooms and store room	New indicator		Change rooms and store room completed.	67% progress on construction of change rooms and store room	Slow progress on site. Termination process in place	67%	Termination of appointed service provider and appointment of the new	Budget 2 000 000  Expenditure R 905 848.26

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome '9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for Improvement</b>	<b>Budget Expenditure</b>
<b>ROADS</b>											
			in Morebeng							Service Provider	
164	Social facilities	Mohodi Sport Complex	Complete sport complex	No sport complex in Mohodi		Approved designs for construction of Mohodi Sport Complex	Approved designs for construction of Mohodi Sport Complex (construction of 2 km concrete palisade fence and ticket sales house)	None	100%	None	Budget R 4,341,450.00  Expenditure R 4,240,000.00

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services &amp; Infrastructure Planning</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs:</b>				<ul style="list-style-type: none"> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> <li>• Improving access to basic services</li> <li>• Implementation of the community works programme</li> </ul>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for Improvement</b>	<b>Budget Expenditure</b>
<b>ELECTRICITY</b>											
165	<b>Electricity</b>	Upgrading of Electricity Network	Percentage of Electricity Network Upgraded	Aging Electricity Network	Provision of sustainable infrastructure and basic services	100% of electricity network Upgraded	75% Electricity network upgraded	Slow progress on site	75%	Contractor terminated appointment of the new Service Provider	Budget R 1 800 000 Expenditure R1 257 667,38
166		Construction of High mast lights	Number of high mast lights constructed	New indicator	Provision of sustainable infrastructure and basic services	2x high mast lights constructed	2x high mast lights not constructed	Failed to attract competent service providers	0%	Advertise on National media to attract wider audience	Budget R 600 000 Expenditure R0
167		Replacement of old electricity meters in Mogwadi	Number of old electricity meters replaced	Old Electricity meters	Provision of sustainable infrastructure and basic services	Replace 350 old electricity meters	Replace 350 old electricity meters	None	100%	None	Budget R 500 000 Expenditure R469 950.00
168		Electricity Master Plan	Development of Electricity Master Plan	New indicator	Provision of sustainable infrastructure and basic services	Developed and Approved Electricity Master Plan	Developed and Approved Electricity Master Plan	None	100%	None	Budget R 1 055 000 Expenditure R1 055 040
169		Purchasing of Crane Truck with Cherry Picker	Number of Crane Truck with Cherry Picker Procured	Aging Electricity Network	Provision of sustainable infrastructure and basic services	1x Crane Truck with Cherry Picker Procured	1 Crane Truck with Cherry Picker procured	None	100%	None	Budget R 1 300 000 Expenditure R 1 066 561

## DEPARTMENT: COMMUNITY SERVICES

<b>Key Performance Area (KPA) 2:</b>				<b>Basic Services Delivery</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for Improvement</b>	<b>Budget Expenditure</b>
<b>TRAFFIC AND LICENSING</b>											
170	Integrated Transport Planning	Law enforcement operations	30 law enforcement campaigns conducted	12 law enforcement campaigns conducted	Provision of social amenities and promotion of healthy and safe communities	30 law enforcement operations conducted	43 law enforcement operations conducted	None	100%	None	Opex
171	Traffic and Licensing	Revenue collection	Percentage collection on revenue on traffic and licensing	New indicator	Provision of social amenities and promotion of healthy and safe communities	100% of annual target of revenue collected from traffic and licensing	85% Revenue collected on traffic and licensing	Temporary closure of Mogwadi DLTC due to burglary	85%	Renovation of the building and resumption of operations	Nil

<b>Key Performance Area (KPA) 1:</b>				<b>Municipal Transformation and Organizational Development</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for improvement</b>	<b>Budget Expenditure</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
172	Environmental management	Mogwadi Landfill site	1 waste disposal site	Non-compliant landfill site	Provision of sustainable infrastructure and basic services	Compliant waste disposal site	Compliant waste disposal site established	None	100%	None	Budget R400 000 Expenditure R338 500
173		Tractor	Number of tractors procured	Need for an additional tractor		1 tractor procured	1 tractor procured	None	100%	None	Budget R500 000 Expenditure R335 190
174		Erection of street litter bins	Number of litter bins procured	Littered towns		50 street litter bins procured	33 Street litter bins procured at Mogwadi	Cost escalations led to a reduction of quantity of bins procured	90%	Base budget estimates on current market trends	Budget R100 000 Expenditure R99 881
175		Beautification Plan	Unbeautified towns	Unbeautified towns		Beautified towns	Beautification Plan implemented and completed at Mogwadi town.	None	100%	None	Budget R250 000 Expenditure R246 950
176		EPWP Projects	Labour intensive waste and environmental management engagements	1 EPWP Environment & Culture sector project		Labour intensive waste and environmental management engagements	Labour intensive waste and environmental management engagements complete	None	100%	None	Budget R500 000 Expenditure R533 000

<b>Key Performance Area (KPA) 1:</b>				<b>Municipal Transformation and Organizational Development</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for improvement</b>	<b>Budget Expenditure</b>
<b>ENVIRONMENTAL MANAGEMENT</b>											
177		EPWP Project	Labour intensive waste and cleaning projects	No community waste collection project		Labour intensive waste and cleaning projects	Labour intensive waste and cleaning projects implemented for two months	Project suspended for eight weeks	85%	Improved stakeholder relations	Budget R260 600 Expenditure R117 450
178		Establishment of Parks	Number of parks established	Insufficient recreational facilities		1 Park established	1 Park established	None	100%	None	Budget R600 000 Expenditure R495 115

## DEPARTMENT: LOCAL ECONOMIC DEVELOPMENT AND PLANNING

Key Performance Area (KPA) 1:				Spatial Rationale							
Outcome 9:				Responsive, Accountable, Effective and Efficient Local Government System							
Outputs :				<ul style="list-style-type: none"><li>• Actions supportive of the human settlement outcome</li><li>• Implement a differentiated approach to municipal financing, planning, and support</li></ul>							
Strategic objectives				<ul style="list-style-type: none"><li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li></ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
SPATIAL PLANNING											
179	Spatial Planning	Building control	Percentage of building plans considered for approval	40 building plans received	To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management	100% Consideration of building plans received	100% of submitted building plans considered	None	100%	None	Nil
180		Assessment of land use applications	Number of land use committee meetings held	No land use committee meeting held		4 land use committee meetings	2X land use committee meeting held	Late approval of establishment of Land Use Committee Not enough. applications to be considered	50%	Compile a schedule of meetings	Nil
LOCAL ECONOMIC DEVELOPMENT											
181	Local Economic Development	Street Trading Facilities	Percentage of Street Trading Facilities constructed	Unplanned and unregulated street trading activities	SMME support and Capacity Building	100% of Street Trading Facilities constructed	100% of Street Trading Facilities constructed	None	100%	None	Budget R 500,000.00  Expenditure R494 190.00
182		Youth in Agriculture	Number of unemployed graduates trained	5 unemployed graduate trained	Job creation	8 Unemployed graduates Training in various farms	8 Unemployed graduates Training in various farms	None	100%	None	Budget R 400,000.00  Expenditure R425 000.00



<b>Key Performance Area (KPA) 1:</b>				<b>Spatial Rationale</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<ul style="list-style-type: none"> <li>• Actions supportive of the human settlement outcome</li> <li>• Implement a differentiated approach to municipal financing, planning, and support</li> </ul>							
<b>Strategic objectives</b>				<ul style="list-style-type: none"> <li>• To Promote Orderly Development Through Integrated Spatial Planning And Land Use Management</li> </ul>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
183		Local Economic Development Forum	Number Local Economic Development Forum meetings held	4 Local Economic Development Forum meetings held	Investment Promotion	4 Local Economic Development Forum meetings held	1x Local Economic Development forum held	Unavailability of venue on the scheduled date	25%	Compile a schedule of meetings	Nil
184	Local Economic Development	Carrier exhibition	Number of carrier exhibition held	1x carrier exhibition event held	SMME support and Capacity Building	1x carrier exhibition event held	1x carrier exhibition event held	None	100%	None	Budget R 100,000.00 Expenditure R 99 0000.00

<b>Key Performance Area (KPA) 6:</b>				<b>Municipal Transformation and Organizational Development</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome</b> <b>Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>							
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for Improvement	Budget Expenditure
<b>INTEGRATED DEVELOPMENT PLANNING</b>											
185	Strategy and Planning	Review of IDP/Budget	Number of IDP/Budget reviewed.	2013/14 IDP/Budget	Provide an accountable and transparent municipality through sustained public participation, coordination of	1 IDP/Budget reviewed	1 IDP/Budget reviewed	None	100%	None	Opex
186		Strategic Planning Sessions	Number of strategic planning sessions coordinated.	4 strategic planning sessions held		6 strategic planning sessions coordinated.	2 Strategic planning sessions held	None	100%	None	Opex

<b>Key Performance Area (KPA) 6:</b>				<b>Municipal Transformation and Organizational Development</b>							
<b>Outcome 9:</b>				<b>Responsive, Accountable, Effective and Efficient Local Government System</b>							
<b>Outputs :</b>				<b>Actions supportive of the human settlement outcome Implement a differentiated approach to municipal financing, planning, and support</b>							
<b>Strategic objectives</b>				<b>Ensure administrative support to municipal units through continuous institutional development and innovation.</b>							
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for Improvement</b>	<b>Budget Expenditure</b>
<b>INTEGRATED DEVELOPMENT PLANNING</b>											
187		Municipal performance quarterly reports	Number of performance quarterly reports consolidated	4 quarterly performance reports consolidated	administration and council committees	4 quarterly performance reports consolidated	4 quarterly performance reports consolidated	None	100%	None	Opex
188		Municipal Annual reports	Number of municipal annual report compiled	1 municipal annual report compiled		1 municipal annual report compiled	1 municipal annual report compiled	None	100%	None	Opex

## DEPARTMENT: BUDGET AND TREASURY

Key Performance Area (KPA) 4:					Municipal Financial Viability and Management						
Outcome 9:					Responsive, Accountable, Effective and Efficient Local Government System						
Outputs 1 & 7:					<ul style="list-style-type: none"> <li>Implement a differentiated approach to municipal financing, planning and support</li> <li>Administrative and financial capability</li> </ul>						
Project No	Priority Area(IDP)	Project Name	Key Performance Indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for Improvement	Budget Expenditure
BUDGET AND REPORTING											
189	Financial management	Submission of Section 71 report	Number of section 71 reports submitted	12 Section 71 reports submitted	To ensure sound and stable financial management	12 Section 71 reports submitted	12 Section 71 reports submitted	None	100%	None	Nil
190		Financial management	Number of financial statements submitted	4x financial statements submitted		4x financial statements submitted	None	The Financial Statements process was in progress as at the end of the year. The quarterly financial statements could not be processed as a result of closing and passing of journals for year end.	0%	Case ware software was purchased to assist with compilation of the quarter financial statements.	Nil

INCOME AND REVENUE MANAGEMENT											
191	Revenue management	Revenue collection	Percentage of revenue collected	80% of revenue collected	To ensure sound and stable financial management	100% of revenue collected	79% revenue collected	None	79%	None	Nil
EXPENDITURE											
192	Expenditure	Salary, creditors, Petty cash and VAT reconciliation, creditor age analysis, retention register	Number of Salary, creditors, Petty cash and VAT reconciliation	12 Completed expenditure reports	To ensure sound and stable financial management	12 Completed expenditure reports	12 Completed expenditure reports	None	100%	None	Nil
SUPPLY CHAIN MANAGEMENT											
193	Supply chain management	Compilation of Bid reports	Percentage Compilation of Bid reports	100% bid adjudication reports compiled	To ensure sound and stable financial management	100% bid adjudication reports compiled	100% bid adjudication reports compiled	None	100%	None	Nil
194	Asset management	Verification of assets	Percentage Verification of assets	100% asset verification	To ensure sound and stable financial management	100% asset verification reports compiled	100% asset verification report compiled	None	100%	None	Nil

## DEPARTMENT: MUNICIPAL MANAGERS OFFICE

Key Performance Area (KPA) 5:					Good Governance and Public Participation						
Outcome 9:					Responsive, Accountable, Effective and Efficient Local Government System						
Outputs 5:					Deepen democracy through a refined ward committee model						
Project No.	Priority area (IDP)	Project Name	Key performance indicator	Baseline	IDP Objective	Annual target	Actual annual achievement	Reason for deviation	Progress (% to target)	Measures for improvement	Budget Expenditure
MAYOR'S OFFICE											
195	Public/Stakeholder Participation	Mayoral outreach programme	Number of Mayoral outreach programmes coordinated	4 Mayoral outreach programmes held	Provide an accountable and transparent municipality through sustained public participation, coordination of administration and council committees	4 Mayoral outreach programmes coordinated	4 Mayoral outreach programmes coordinated	None	100%	None	Nil
196	Public/Stakeholder Participation	Council and public participation programmes (council outreach)	Number of council meetings coordinated	4 Council meetings held		4 Council meetings coordinated	4 Council meetings coordinated	None	100%	None	Nil
197	Oversight	Municipal Public Accounts Committee (MPAC) activities	Number of MPAC (Municipal Public Accounts Committee) meetings coordinated	4 MPAC (Municipal Public Accounts Committee) meetings coordinated		4 MPAC (Municipal Public Accounts Committee) meetings coordinated	4 MPAC (Municipal Public Accounts Committee) meetings held	None	100%	None	Nil

<b>Key Performance Area (KPA) 5:</b>					<b>Good Governance and Public Participation</b>						
<b>Outcome 9:</b>					<b>Responsive, Accountable, Effective and Efficient Local Government System</b>						
<b>Outputs 5:</b>					<b>Deepen democracy through a refined ward committee model</b>						
<b>Project No.</b>	<b>Priority area (IDP)</b>	<b>Project Name</b>	<b>Key performance indicator</b>	<b>Baseline</b>	<b>IDP Objective</b>	<b>Annual target</b>	<b>Actual annual achievement</b>	<b>Reason for deviation</b>	<b>Progress (% to target)</b>	<b>Measures for improvement</b>	<b>Budget Expenditure</b>
	Oversight		Number of public hearings coordinated	1 public hearing coordinate	Provide an accountable and transparent municipality through sustained public participation, coordination of administration and council committees	1 public hearings coordinated	None	Non availability of some members and some questions not adequately answered	0%	Compile a schedule of meetings	Nil

COMMUNICATIONS											
198	Communication	Publication of newsletter	Number of municipal newsletter published	2 Newsletter published	Enhance Corporate identity	4 newsletters published	No newsletter published	Service provider terminated due to poor performance	0%	Appoint a service provider on an annual basis	Budget R250 000 Expenditure R0
INTERNAL AUDIT AND RISK MANAGEMENT											
199	Internal Audit		Percentage of identified risks resolved within timeframes as specified in the register	0%	To Protect the municipality from potential risks	100% of identified risks resolved within timeframes as specified in the register	36% of identified risks resolved within timeframes as specified in the register	Risk register not updated timeously.	36%	Schedule of meetings and timely update of the risk register. Risk register to serve as a standing item at senior management committee meetings.	Nil
200			Percentage of Auditor General queries addressed	25% of Auditor General queries addressed		100% of Auditor General queries addressed	60% of audit queries resolved.	The major outstanding findings will be addressed in the subsequent financial year	60%	The major outstanding findings will be addressed in the subsequent financial year	Nil
			Number of Risk Committee meeting coordinated	4 Risk Committee meeting coordinated		4 Risk Committee meeting coordinated	3 Risk Management Committee meeting held	Unavailability of key personnel to convene the meetings.	75%	Develop Schedule of meetings	Nil

I declare that the information presented above is a true reflection of the state of affairs for all municipal departments in the 2014/15 financial year

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**MR. N.I MAKHURA**  
**MUNICIPAL MANAGER**

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**DATE**

**APPROVED/ NOT APPROVED**